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*Not discussed with US -  
they have not re-raised the  
question.*

*John* 23 September 1996  
*14/x.*

*Dear John,*

US: ANTI-TERRORIST LEGISLATION

Your letter of 16 September reported on your conversation with Nancy Soderberg and requested advice on the point she raised about designating Loyalist paramilitaries as terrorist organisations under the new US legislation. NIO Officials recently had an informal exchange of views on this with the American Embassy at the Embassy's instigation (please protect from Ms Soderberg). Our informal advice was that a decision by the US to designate loyalist paramilitary groups as well as the IRA would be unlikely to cause significant difficulties for HMG or the Talks process, provided that it was made clear that this was exclusively a US decision (not taken at HMG's prompting) and that it did not affect the position of the loyalist political parties.

The US wish to be softer on the Loyalists because of their ceasefire. Our own practice, however, is that we have maintained the proscription of both loyalist and republican paramilitary groups during their ceasefires - but we have made a distinction in the treatment of the associated political parties.



The impact of designation upon the Loyalist ceasefire is difficult to assess. The possibility that it would make them more inclined to abandon their ceasefire, feeling that they were unjustly being treated the same as the IRA, cannot be discounted. It would probably not be a unilateral cause of a breakdown; a lot would depend on the timing of such a decision and the situation on the ground at the time.

As for the impact on the talks, it would be important to make clear (both for the sake of the UDP and the PUP, and to counter the capital that the DUP for one would seek to make) that the decision did not affect the position of the Loyalist parties. Impact on the talks could also be minimised if it was made clear that this is entirely a US decision, and not prompted by HMG. It would be useful to have some advance notice of an announcement in order to be prepared.

#### Conclusion

While designation is desirable, in line with our own policy, it is not essential. It is much more important for HMG not to be seen to have lobbied the US Administration, and for the decision to be that of the US alone. A speaking note on these lines is attached.

I am copying this to William Ehrman (FCO), Jan Polley (Cabinet Office) and Sir John Kerr (Washington by fax).

*Lindsay,*

*W K*

W K LINDSAY



## SPEAKING NOTE FOR USE WITH LAKE OR SODERBERG

- grateful to you for seeking HMG's views
- our own practice has been to maintain a ban on paramilitary groups even during a ceasefire, but to treat political parties associated with them differently.
- impact of listing on Loyalist ceasefire difficult to gauge: designation unlikely to prompt a breakdown on its own - effect of an announcement depends to a large extent on the situation on the ground at the time
- impact on talks could be diffused provided that it is made clear that the good faith of the Loyalist parties is not being questioned
- and if it is made clear that this is exclusively the US Administration's own decision, and the HMG has not tried to influence the outcome
- would be useful to have some advance notice of any announcement

I have had the expected telephone call from Home. He said that this morning's developments were "bad". However, they were not unexpected. Such action would go on until such time as we were able to secure a new ceasefire. He remained convinced, as he had said before, that this was not genuinely possible and that this time it would be for good. He went on to say that for some time, drawing his own deep knowledge of the IRA and the IRA.

I explained what we were as far as the response to him was concerned, saying that we would not respond on our own position. I indicated to him that we had already indicated the scepticism we had already felt about the likelihood of an IRA ceasefire, and suggested that this had also shaped our response further for obvious reasons. He accepted all this happily enough, and seemed relieved that we were not about to reject his approach altogether.

John Hume's letter to Ian Paisley (Catholic Office)

John Hume

JOHN HUME